

BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS

ARKANSAS INSURANCE DEPARTMENT)
PETITIONER)

VS.)

SHANA CHISM)
RESPONDENT)
NPN 17664490)

A.I.D. NO. 2022- 9

REVOCATION ORDER

On this day, the matter of the producer's license of Shana Chism ("Respondent") came before Alan McClain, Arkansas Insurance Commissioner ("Commissioner"). A hearing was held on November 30, 2021, in the Second Floor Hearing Room of the Arkansas Insurance Department ("Department") pursuant to the Notice of Hearing dated October 21, 2021. The hearing was held before Russ Galbraith, Chief Deputy Commissioner, with the Arkansas Insurance Department ("Hearing Officer") pursuant to his appointment by the Commissioner in accordance with Ark. Code Ann. § 23-61-103(e)(1). The Department was represented by Gray Allen Turner, Associate Counsel. Respondent was present.

FINDINGS OF FACT

1. Respondent is a resident of Jacksonville, Arkansas.
2. Respondent holds an Arkansas resident producer license, NPN 17664490.

3. Respondent applied for and was issued a resident insurance producer license in 2015 and has been licensed since that time.

4. In her insurance producer license application, Respondent's answer to Background Question #1, which asks if the applicant has been convicted of a felony, was "No." Respondent's answer to Background Question #1 was incorrect and materially untrue.

5. Respondent, in 2014, was convicted of "Misprision of a Felony," 18 U.S.C. § 4, a class E felony, in the U.S. Eastern District of Arkansas Federal Court Case No: 4:12CR00130-04 BSM. Respondent was initially sentenced to a term of probation, but she was incarcerated for several months after her probation was revoked. She has had no further criminal convictions.

6. Respondent did not submit with her license application the charging documents, the sentencing order, or a written explanation of the circumstances that led to her conviction as required of any applicant with a criminal background. At the hearing, she was given the opportunity to explain the events that led to her felony conviction but she declined to do so.

7. Respondent previously held several non-resident insurance producer licenses in other states. Respondent's non-resident producer licenses have been revoked in California, Virginia, Wisconsin, Washington, and Louisiana, for failure to disclose her felony conviction and failure to report other states' administrative license actions.

8. Respondent failed to report the administrative actions revoking her non-resident licenses to the Commissioner within thirty days of each order being entered.

9. Respondent has not maintained a current address with the Department's licensing division and did not inform the Commissioner within thirty days of her address changes.

CONCLUSIONS OF LAW

From the Findings of Fact contained herein, the Commissioner concludes as follows:

1. The Commissioner of Insurance has jurisdiction pursuant to the Arkansas Insurance Code, specifically Ark. Code Ann. §§ 23-61-101 *et seq.*

2. Under the provisions of § 23-64-512(a)(1), an applicant for an insurance producer license may not provide incorrect, incomplete, or materially untrue information in the license application. Respondent's answers to the background questions on her 2015 license application were materially untrue and incomplete. She did not include the charging documents, the sentencing order, or a written explanation of the circumstances that led to her conviction as required where an applicant has a felony conviction. Respondent's actions were a violation of § 23-64-512(a)(1).

3. The Commissioner, as authorized by § 23-64-512(a)(6), may refuse to issue or revoke a license if a producer is convicted of a felony. Respondent's actions

were a violation of § 23-64-512(a)(6).

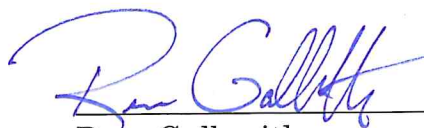
4. An insurance producer must inform the Commissioner of a change of address within thirty days of the change as required by § 23-64-507(f). Respondent's actions were a violation of a violation of § 23-64-507(f).

5. An insurance producer must report to the Commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty days after the final disposition of the matter as required by § 23-64-517(a)(1). Respondent failed to report the administrative actions revoking her nonresident licenses in California, Virginia, Wisconsin, Washington, and Louisiana to the Commissioner. Respondent's actions were a violation of § 23-64-517(a)(1).

RECOMMENDATION OF HEARING OFFICER

WHEREFORE, upon consideration of the evidence of record and the foregoing Findings of Fact and Conclusions of Law, the Hearing officer recommends the following:

That the Arkansas resident insurance producer license of Respondent be revoked.




Russ Galbraith
Hearing Officer

CERTIFICATION

I, Alan McClain, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendation of the Hearing Officer were made by and under my authority and supervision by Russ Galbraith, Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendation in full, as set forth herein.

THEREFORE, it is hereby ORDERED that the Arkansas producer license of Shana Chism, NPN 17664490, is revoked.

IT IS SO ORDERED THIS 7th DAY OF January, 2022.



ALAN MCCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS